Newfoundland Labrador

budget 08
Securing a Sustainable Future

Executive Council
Human Resources, Labour and Employment
Health and Community Services
Innovation, Trade and Rural Development
Labrador and Aboriginal Affairs
Education
Justice
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Newfoundland and Labrador Continues to Invest to Lead the Country in Poverty Reduction Initiatives

The Williams Government continues to act on its commitment to alleviate, prevent and reduce poverty in the province with new measures that focus on improving earned incomes, strengthening the social safety net and supporting youth at risk. Budget 2008 provides an additional $9.6 million in new Poverty Reduction Strategy initiatives and this funding is in addition to the $2.4 million announced April 1 to index basic income support rates. That brings the total investment in the current fiscal year to $12 million and once fully implemented in 2009-10, the Provincial Government's annual investment in poverty reduction will be more than $100 million.

"Two years ago, our government embarked on a bold and ambitious plan to change Newfoundland and Labrador over a 10-year period from the jurisdiction with the highest poverty rates to one with the lowest poverty rates in Canada," said the Honourable Danny Williams, Premier of Newfoundland and Labrador. "The Poverty Reduction Strategy is a comprehensive and integrated approach that is praised throughout the country and works towards achieving our goal. This year, we continue to build upon our strategy through a series of new investments to help the most vulnerable citizens in our province succeed and prosper. To secure a sustainable future, we must continue to work together to increase and embrace opportunity for all and enable greater self-reliance."

Improving Earned Incomes

One of the five main goals of the Poverty Reduction Strategy is to improve earned incomes. The Provincial Government is investing $2.1 million in Budget 2008 to support initiatives that enable income support clients, marginalized workers, persons with disabilities, and other low income workers to make a successful transition to work, work more hours, increase their skills and earnings, and maintain long-term employment.

- In Budget 2008, the Department of Human Resources, Labour and Employment (HRLE) is committing $1.2 million to expand workplace incentives and open up opportunities for income support clients to go to work by building on program initiatives. This includes increasing earnings exemptions and other supports to ensure income support clients are financially better off when they go to work.
- The department recognizes that persons with disabilities face unique barriers to employment. An additional $300,000 is being provided to further improve the earnings exemption program for income support clients with disabilities.
- As well, $128,000 is being invested to expand the successful Employment Transitions Program for single parents.

Other initiatives to improve earned incomes include:

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- $270,000, through Innovation, Trade and Rural Development (INTRD) to support the establishment of a two-year pilot micro-lending program; and,
- $200,000 to support the INTRD Bridging the Gap: From Education to Employment project.

Strengthening the Social Safety Net

"This government recognizes that a stronger social safety net helps break the cycle of poverty by supporting people to develop to their full potential, to participate more fully in their community, and achieve improved health and quality of life," said the Honourable Shawn Skinner, Minster of Human Resources, Labour and Employment. "In support of the Poverty Reduction Strategy, our government is providing $4.2 million to make significant improvements to our social safety net."

In Budget 2008, the Provincial Government is moving forward with a progressive series of social investments to improve benefits, enhance equality for individuals and families and expand community supports.

- $1 million to enable Newfoundland Labrador Housing (Housing) to enter into agreements with private landlords and special needs groups throughout the province to subsidize an additional 250 apartments for eligible low income households.
- $350,000, through Housing, to help reduce rents in community-based volunteer housing projects. This will establish more equitable rents to be based on a working tenant's net rather than gross income level and 25 per cent of seniors' income. This expands a similar program implemented over the past two years for Newfoundland Labrador Housing tenants.
- $877,000 is being provided, through HRLE, to enhance health benefits for income support clients including eye exams, eyeglasses, dentures, and special diets.
- $450,000, through HRLE, to remove an inequity in the income support program that provided lower rental rates to persons living with relatives when compared to those who rent from non-relatives.
- $500,000 in additional funding, through the Department of Health and Community Services (HCS), to support the Kids Eat Smart Foundation and enable the further expansion of the breakfast program to more children in schools across the province.
- $300,000, through HCS, to build on the success of the Healthy Baby Clubs to address wait lists and further supplement the provision of healthy and fresh foods.

Other measures to strengthen the social safety net include:

- $200,000, through the Department of Labrador and Aboriginal Affairs, to increase funding for the Air Food-lift Subsidy program;
- $200,000, through HRLE, to expand eligibility for the Northern Allowance to all Income Support clients who maintain a residence in coastal Labrador;
- $140,000, through INTRD, to promote regional economic development by expanding the mandate of the Community Capacity Building program to the not-for-profit sector;
- $100,000, through HRLE, to increase funding for the Canadian Tire Foundation for Families Jumpstart program;
- $100,000, through Housing, to establish a community collaboration co-ordinator through the Community Centre Alliance, to increase access to career, employment and other services in Corner Brook and Grand Falls-Windsor at the Dunfield Park and Exploits Community Centres;

Supporting Youth at Risk

The Poverty Reduction Strategy recognizes that early intervention and targeted programs need to be in place to support the personal and social development of youth at risk of poverty. The Provincial Government is investing over $1.7 million in Budget 2008 for early intervention and support for youth at risk.

"These Budget 2008 Poverty Reduction Strategy initiatives for youth build on and complement existing measures to support youth at risk to stay connected to the education system and their communities and to in turn avoid a life of poverty," said Minister Skinner.

In meeting this need, Health and Community Services is moving forward with a $605,000 commitment to establish a youth addiction, prevention and early intervention program. As well, the department is allocating $401,600 for a new project within Central Health to support residential and transition services for youth through a supportive board and lodgings model.

The Community Youth Network is a successful program that benefits approximately 14,000 young people throughout the province. HRLE is providing an additional $530,000 in 2008-09 to increase funding to the Community Youth Network and expand it to four additional sites in the province. As well, the department is providing an additional $60,000 to increase the high school incentive allowance for families in receipt of income support whose children turn 18 while attending high school. The department is also expanding the allowance to include those 18-21 year olds receiving income support who attend high school but live outside the parental home.

The best predictor of whether or not someone will live in poverty is their level of formal education. The Department of Education is providing $125,000 to develop a new pilot program to help disengaged youth reconnect to learning and return to school.

Additional Measures

Budget 2008 contains several additional Poverty Reduction Strategy measures:

- $320,000 is allocated to support the co-ordination, consultation and research capacity of the Poverty Reduction Strategy division within government;
- Budget 2008 will allocate $279,000 to fund a pilot project in St. John's for a Family Violence Court. The court will address matters of domestic dispute by adopting a holistic approach with a focus on victim safety and offender accountability;
- $254,900 is being invested to establish a Child Youth and Family Services team in Corner Brook consisting of a lawyer, social worker and paralegal;
- $250,000 is being invested to support community-based groups who provide services to complex need clients;
- $126,300 is being provided for civil Legal Aid support for persons with a mental illness who are required to make court appearances under the new *Mental Health Act*;
- $100,000 to conduct research into the transportation needs of individuals and families with low income;
- $85,000 is being committed to develop a better integrated service by government, to meet the needs of individuals and groups who need social housing and also supportive services; and,
- $40,000 is being provided to increase the operating budget for the eight Women's Centres in the province by five per cent.

"This government will continue to demonstrate a strong social conscience, a progressive vision of empowerment, and the willingness to provide the tools and assistance people may need to realize their full potential," said Premier Williams. "This is a role that we stronger embrace, and together with the community we can and will succeed in realizing our shared vision of a province where poverty has been eliminated."

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